

Message Text

LIMITED OFFICIAL USE

PAGE 01 KHARTO 02624 230957Z

15

ACTION AF-07

INFO OCT-01 NEA-06 ISO-00 EB-07 RSC-01 /022 W

----- 087090

R 230910Z NOV 74

FM AMEMBASSY KHARTOUM

TO USDOC WASHDC

INFO SECSTATE WASHDC 9026

AMEMBASSY JIDDA

LIMITED OFFICIAL USE KHARTOUM 2624

E.O. 11652: NA

TAGS: BEXP EALR ENRG EAGR SU

SUBJ: SPECIAL TRADEOPPORTUNITY - FERTILIZER PLANT AND
REFINERY IN PORT SUDAN

1. IN CONVERSATION NOV 20 WITH AMBASSADOR, AMCIT MANAGING
DIRECTOR OF TRIAD SUDAN SAID PLANS WERE PROCEEDING FOR CONSTRUC-
TION OF \$350 MILLION REFINERY AND \$180 MILLION UREA PLANT AT PORT
SUDAN. BELIEVE USDOC SHOULD (A) MAKE SURE APPROPRIATE US
COMPANIES ARE AWARE OF PROJECTS, AND (B) GIVE US SHORT LISTS OF
COMPANIES TO WHICH INVITATION TO TENDER COULD BE ISSUED.

2. REFINERY WILL USE SAUDI CRUDE, PURCHASED ON QUOTE MFN
UNQUOTE BASIS. CAPACITY SCHEDULED BE 200,000 BARRELS
PER DAY, OR 10 MILLION TONS PER ANNUM, OF NAPHTHA AND LOW-SULPHUR
(0.5 PERCENT) FUEL OIL. PART OF NAPHTHA WILL BE USED FOR UREA PLANT
BUT MOST OF PRODUCTION WILL BE EXPORTED, LARGELY TO VARIOUS
PUBLIC UTILITIES ON EAST COAST OF US UNDER 20-25 YEAR CONTRACT.
SAME UTILITIES REPORTEDLY SEEKING EQUITY SHARE IN REFINERY, OF
WHICH GOS AND TRIAD WOULD ALSO BE PART-OWNERS. PROJECT IS NEWER
VERSION OF ONE STUDIED BY FRENCH COMPANY AT INSTANCE OF TRIAD
(KHARTOUM 276 AND 1494).

3. UREA PLANT WOULD PRODUCE 470,000 TONS PER ANNUM,
USING NAPHTHA (200,000 TONS) FROM REFINERY AS BASE. FOR FIRST
FIVE YEARS 40-50 PERCENT OF PRODUCTION WOULD BE EXPORTED, SO
AS TO PERMIT REPAYMENT OF FOREIGN LOANS. CAPITALIZATION OF
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 KHARTO 02624 230957Z

PROJECT EXPECTED TO BE EASIER THAN THAT OF REFINERY BECAUSE OF

HIGH RETURN (22 PERCENT ON EQUITY AFTER SECOND YEAR, 35 PERCENT AFTER COMPLETION OF LOAN PAYMENTS).

4. TRIAD SOURCE DID NOT SAY WHETHER SUDAN DEVELOPMENT CORPORATION (SDC) WOULD PLAY MAJOR ROLE IN PROJECTS. PRESIDENT NIMEIRI REPORTEDLY WILL FORMALLY INAUGURATE SDC NOVEMBER 23 AND ORGANIZATION MAY BECOME SOMEWHAT MORE ACTIVE THEREAFTER. HOWEVER, TRIAD STILL APPEARS BE CARRYING BALL ON THESE TWO BANKABLE PROJECTS WHICH NOW APPEAR IN SEPARATE CATEGORY FROM OTHER, LESS FINANCIALLY ATTRACTIVE, SCHEMES ON WHICH SDC MAY FOCUS.
BREWER

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FERTILIZER INDUSTRY, FOREIGN INVESTMENT, DATA
Control Number: n/a
Copy: SINGLE
Draft Date: 23 NOV 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: CollinP0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974KHARTO02624
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740340-0424
From: KHARTOUM
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741118/aaaaaonp.tel
Line Count: 73
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION AF
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: NERY IN PORT SUDAN
Review Action: RELEASED, APPROVED
Review Authority: CollinP0
Review Comment: n/a
Review Content Flags:
Review Date: 26 AUG 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <26 AUG 2002 by boyleja>; APPROVED <18 MAR 2003 by CollinP0>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: SPECIAL TRADEOPPORTUNITY - FERTILIZER PLANT AND
TAGS: BEXP, EALR, ENRG, EAGR, SU
To: COM
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005